

## Office of Personnel Management

## § 531.602

System Termination Act of 1993 (Pub. L. 103-89), and this subpart.

[46 FR 2322, Jan. 9, 1981, as amended at 46 FR 41020, Aug. 14, 1981; 58 FR 65537, Dec. 15, 1993; 59 FR 40794, Aug. 10, 1994]

### § 531.503 Purpose of quality step increases.

The purpose of quality step increases is to provide appropriate incentives and recognition for excellence in performance by granting faster than normal step increases.

[60 FR 43948, Aug. 23, 1995]

### § 531.504 Level of performance required for quality step increase.

A quality step increase shall not be required but may be granted only to—

(a) An employee who receives a rating of record at Level 5 (“Outstanding” or equivalent), as defined in part 430, subpart B, of this chapter; or

(b) An employee who, when covered by a performance appraisal program that does not use a Level 5 summary—

(1) Receives a rating of record at the highest summary level used by the program; and

(2) Demonstrates sustained performance of high quality significantly above that expected at the “Fully Successful” level in the type of position concerned, as determined under performance-related criteria established by the agency.

[60 FR 43948, Aug. 23, 1995]

### § 531.505 Restrictions on granting quality step increases.

As provided by 5 U.S.C. 5336, a quality step increase may not be granted to an employee who has received a quality step increase within the preceding 52 consecutive calendar weeks.

[51 FR 8421, Mar. 11, 1986]

### § 531.506 Effective date of a quality step increase.

The quality step increase should be made effective as soon as practicable after it is approved.

[60 FR 43948, Aug. 23, 1995]

### § 531.507 Agency responsibilities.

(a) Agencies shall maintain and submit to OPM such records as OPM may require.

(b) Agencies shall report quality step increases to the Central Personnel Data File in compliance with instructions in the OPM Operating Manual, FEDERAL WORKFORCE REPORTING SYSTEMS, for sale by the U.S. Government Printing Office, Superintendent of Documents.

[60 FR 43948, Aug. 23, 1995]

### § 531.508 Evaluation of quality step increase authority.

The Office of Personnel Management may evaluate an agency’s use of the authority to grant quality step increases. The agency shall take any corrective action required by the Office.

[60 FR 43948, Aug. 23, 1995]

## Subpart F—Locality-Based Comparability Payments

SOURCE: 58 FR 69174, Dec. 30, 1993, unless otherwise noted.

### § 531.601 Purpose.

This subpart provides regulations to implement 5 U.S.C. 5304, which authorizes locality-based comparability payments to reduce pay disparities with non-Federal workers within each locality when the locality is determined to have a pay disparity of greater than 5 percent. These regulations must be read together with 5 U.S.C. 5304.

### § 531.602 Definitions.

In this subpart:

*Continental United States* means the several States and the District of Columbia, but does not include Alaska or Hawaii.

*CSA* means the geographic scope of a Combined Statistical Area, as defined by the Office of Management and Budget (OMB) in OMB Bulletin No. 04-03, plus any areas subsequently added to the CSA by OMB.

*Employee* means—

(1) An employee in a position to which 5 U.S.C. chapter 53, subchapter III, applies and whose official duty station is located in a locality pay area

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within the continental United States, including a GM employee (as defined in § 531.202); and

(2) An employee in a category of positions described in 5 U.S.C. 5304(h)(1)(A)–(D) for which the President (or designee) has authorized locality-based comparability payments under 5 U.S.C. 5304(h)(2) and whose official duty station is located in a locality pay area.

*General Schedule* means the basic pay schedule established under 5 U.S.C. 5332, as adjusted by the President under 5 U.S.C. 5303.

*Locality pay area* means an area listed in § 531.603 of this part, as established and modified under 5 U.S.C. 5304 by the Pay Agent designated by the President under 5 U.S.C. 5304(d)(1).

*Locality rate of pay* means an employee's scheduled annual rate of pay increased by the percentage determined under § 531.604(a) and rounded to the nearest whole dollar, counting 50 cents and over as the next higher dollar.

*MSA* means the geographic scope of a Metropolitan Statistical Area, as defined by the Office of Management and Budget (OMB) in OMB Bulletin No. 04–03, plus any areas subsequently added to the MSA by OMB.

*Official duty station* means the duty station for an employee's position of record as indicated on his or her most recent notification of personnel action, excluding a new duty station for an assignment that is followed immediately (*i.e.*, within 3 workdays) by a reduction in force resulting in the employee's separation before he or she is required to report for duty at the new location. For an employee who is authorized to receive relocation allowances under 5 U.S.C. 5737 in connection with an extended assignment, the temporary duty station associated with that assignment is the employee's official duty station.

*Scheduled annual rate of pay* means—

(1) The General Schedule rate of basic pay for the employee's grade and step (or relative position in the rate range), including a special rate for law enforcement officers under section 403 of the Federal Employees Pay Comparability Act of 1990 (FEPCA) (Pub. L. 101–509, 104 Stat. 1465), but exclusive of a special salary rate established under 5 U.S.C. 5305 or similar provision of law

(other than section 403 of FEPCA), a *continued rate of pay* under subpart G of this part, a *special law enforcement adjusted rate of pay* under subpart C of this part (including a rate continued under § 531.307), a *locality rate of pay* under this subpart, or additional pay of any kind;

(2) For a GM employee (as defined in § 531.202) who is receiving a special salary rate under 5 U.S.C. 5305 or similar provision of law, the rate of pay resulting from the following computation—

(i) Using the special salary rate schedule established under 5 U.S.C. 5305 or similar provision of law, subtract the dollar amount for step 1 of the employee's grade on the special salary rate schedule from the dollar amount for the employee's special salary rate; and

(ii) Add the result of paragraph (2)(i) of this definition to the dollar amount for step 1 of the employee's grade on the General Schedule;

(3) The retained rate of pay under part 536 of this chapter, 5 CFR 359.705, or 5 U.S.C. 5334(b)(2), if applicable; or

(4) For an employee in a category of positions described in 5 U.S.C. 5304(h)(1)(A)–(D) for which the President (or designee) has authorized locality-based comparability payments under 5 U.S.C. 5304(h)(2), the rate of basic pay fixed by law or administrative action, exclusive of any locality-based adjustments (including adjustments equivalent to local special rate adjustments under 5 U.S.C. 5305) or other additional pay of any kind.

[58 FR 69174, Dec. 30, 1993, as amended at 59 FR 67605, Dec. 30, 1994; 61 FR 3540, Feb. 1, 1996; 62 FR 25425, May 9, 1997; 64 FR 69173, Dec. 10, 1999; 66 FR 67070, Dec. 28, 2001; 68 FR 19708, Apr. 22, 2003; 69 FR 2050, Jan. 13, 2004; 69 FR 75453, Dec. 17, 2004]

### § 531.603 Locality pay areas.

(a) Locality rates of pay under this subpart shall be payable to employees whose official duty stations are located in the locality pay areas listed in paragraph (b) of this section.

(b) The following are locality pay areas for purposes of this subpart:

(1) Atlanta-Sandy Springs-Gainesville, GA–AL—consisting of the Atlanta-Sandy Springs-Gainesville, GA–AL CSA;